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WORLD LARD PRODUCTION AND TRADE

World lard production in 1966 in the major producing countries remained near year earlier levels--7.8 million pounds compared to 7.7 million pounds in 1965. This was only a 1.2 percent increase over 1965, but 9 percent over the 1956-60 average.

Production in North America was down 5 percent. U.S. lard production dropped substantially during the first half of 1966, but greater supplies developed as hog production and slaughter began to increase after mid-year. Canadian lard production followed a similar pattern. Mexico had a slight offsetting increase in lard production in 1966.

European lard production remained about the same as a year earlier. Western European countries showed a slight decrease in production while eastern European countries showed a small increase. Production in the Soviet Union showed the largest change--up 6 percent over 1965. This was due to almost a 13 percent increase in hog numbers from January 1, 1966 to January 1, 1967. Africa and Asia showed rather significant increases in lard production over 1965.

World lard production in the last of 1967 and first half of 1968 is expected to be well above a year earlier. Hog production in most countries in Western Europe is up compared to a year earlier. U.S. and Canadian production of lard could be up as much as 10 percent in 1967.

In the longer-run--apart from cyclical ups and downs in various areas--lard production will likely increase, although the increase is not expected to keep pace with increases in pork production. There appears to be a developing trend in the world of less lard production per hog because of the expanding production of the meat-type hog.

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Trade

Total lard shipments in 1966 from the major exporting countries were down 6 percent from the previous year.

The United States again was the major exporter, although shipments in 1966 were down 93 million pounds, or 37 percent from a year earlier. The drop was due to reduced domestic production creating smaller supplies and higher prices. These factors plus a contraction of the U.K. market, the major foreign lard market, also helped decrease exports.

U.S. exports as a percent of production totaled only 8 percent, down from 12 percent and 28 percent in 1965 and 1964, respectively. U.S. exports as a percent of world lard exports were 26 percent, down from 39 percent in 1965 and 65 percent in 1964. The supply-demand situation in 1965 and 1966 led to a substantial amount of substitution of lard to vegetable and fish oils in the United Kingdom and the Common Market countries for use in the manufacture of compound fats and margarine.

The United Kingdom, the major lard importing country of the world, imported 409 million pounds in 1966, some 60 million pounds less than in the previous year. Sharply reduced imports were received from the United States which were down from 257 million pounds in 1965 to 119 million in 1966. Smaller supplies were also imported from Belgium and Luxembourg and France. Larger supplies were imported from Poland and Romania who were insignificant exporters of lard to the United Kingdom two years ago.

Total EEC exports were down 19 percent from the previous year. French exports reached 86 million pounds in 1966, down 11 million pounds from the high in 1965. Belgium and Luxembourg, and Italy showed declines of 21 and 31 million pounds, respectively. Lard exports from the Netherlands increased 11 million pounds reaching 73 million pounds. This was due primarily to the renewal of activity in the Cuban market.

Danish exports increased slightly in 1966 totaling 35 million pounds. The U.S.S.R. and Poland showed significant increases in lard exports, each country exporting 44 million pounds.

World exports of lard in 1967 will likely show some recovery from last year primarily due to a major increase in U.S. production in the last part of 1966 and in the first quarter of 1967. Also in view of greater stocks, U.S. prices of lard are expected to continue lower and more competitive in world trade.

The U.S. share of the British market has declined from 89 percent in 1964 to 55 percent in 1965 and only 29 percent in 1966. However, the true share of U.S. lard in the United Kingdom is still around 50 percent, since a large part of Belgium and Dutch imports stems from the refining of U.S. imported lard. The U.S. market share is expected to increase in 1967 due to greater U.S. supplies. British demand is up, created by short supplies and lower production. However, U.S. lard will be meeting greater competition from larger supplies from other Western European and Eastern European countries where lard production is expected to be up also.

Table 1.--Lard ^{1/}: Estimated production, specified countries
average 1956-60, annual 1964-66

Continent and country	Average 1956-60 Million pounds	1964 Million pounds	1965 Million pounds	1966 ^{2/} Million pounds
North America:				
Canada.....	140	133	122	114
United States.....	2,615	2,476	2,050	1,931
Mexico.....	120	135	135	139
Total North America ^{3/}	2,900	2,770	2,330	2,210
South America:				
Argentina ^{4/}	62	59	69	83
Brazil.....	191	179	204	220
Chile.....	24	34	35	38
Colombia.....	28	29	29	26
Total South America ^{3/}	360	350	390	420
Europe:				
Western				
EEC				
Belgium and Luxembourg.....	34	42	48	52
France.....	160	150	170	166
Germany, West ^{4/}	475	593	605	596
Italy.....	39	49	49	49
Netherlands.....	28	35	39	40
Total EEC.....	736	869	911	903
Austria.....	80	77	75	71
Denmark.....	58	84	92	90
Portugal.....	26	21	21	22
Spain.....	21	27	22	24
Sweden.....	18	14	14	14
Switzerland.....	16	19	21	21
United Kingdom.....	22	22	23	23
Total Western Europe ^{3/}	990	1,160	1,200	1,190
Eastern:				
Bulgaria ^{4/}	59	67	83	87
Czechoslovakia ^{4/}	179	205	229	207
Germany, East ^{4/}	261	289	308	324
Hungary ^{4/}	129	158	169	175
Poland ^{4/}	480	465	549	561
Yugoslavia ^{4/}	241	296	314	304
Total Eastern Europe.....	1,350	1,480	1,650	1,660
Total Europe ^{3/}	2,340	2,640	2,860	2,850
USSR.....	1,300	1,200	1,700	1,800
Africa:				
South Africa, Rep. of ^{4/}	30	27	29	34
Total Africa ^{3/}	30	30	30	40
Asia:				
Japan ^{4/}	58	118	162	224
Total Asia ^{3/}	220	330	400	480
Total World ^{3/}	7,160	7,330	7,720	7,810

^{1/} Estimates of rendered lard except where otherwise noted. ^{2/} Preliminary. ^{3/} Includes an allowance for any missing data from countries shown and minor producing countries not shown. ^{4/} Calculated from pork production, includes unrendered pork fat in terms of lard.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign government, other foreign source materials, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research, and related information.

July 1967.

Table 2.--Lard: World exports, U.S. exports, and U.S. production, average 1956-60, annual 1961-66

Year	Estimated world exports	United States			
		Exports	as percent of world exports	Pro- duction	Exports as percent of production
	Million pounds	Million pounds	Percent	Million pounds	Percent
Average:					
1956-60.....	845	545	64	2,615	21
Annual:					
1961.....	775	417	54	2,517	17
1962.....	840	422	50	2,480	17
1963.....	906	538	59	2,476	22
1964.....	1,050	682	65	2,476	28
1965.....	640	251	39	2,050	12
1966 <u>1/</u>	600	158	26	1,931	8

1/ Preliminary.

Table 3.--Lard: Exports from specified countries, average 1956-60, annual 1964-66

Country	Average 1956-60	1964	1965	1966 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds
United States.....	545	682	251	158
France.....	68	76	97	86
Netherlands <u>2/</u>	98	131	62	73
U.S.S.R.	18	54	<u>3/</u> 29	<u>3/</u> 44
Poland.....	<u>4/</u> 14	1	12	<u>3/</u> 44
Belgium and Luxembourg <u>5/</u> ...	26	27	63	42
Denmark.....	27	34	32	35
Italy.....	---	5	49	18
Argentina.....	25	10	11	16
Sweden.....	5	7	5	6
Canada.....	2	---	---	---
Total.....	828	1,027	611	522

1/ Preliminary. 2/ Includes lard processed from imported grease.
3/ Source: Oil World. 4/ Less than a 5-year average. 5/ Includes hog grease.

Table 4.--Lard: Imports into specified countries,
average 1956-60, annual 1964-66

Country	Average 1956-60	1964	1965	1966 ^{1/}
	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom.....	310	615	470	409
Cuba.....	185	<u>2/</u> 104	<u>2/</u> 60	<u>2/</u> 66
Belgium and Luxembourg <u>3/</u>	25	36	62	49
Canada.....	14	16	21	28
Mexico.....	11	<u>4/</u> 7	<u>4/</u> 11	<u>4/</u> 15
Germany, West.....	67	27	19	14
Bolivia.....	11	19	<u>5/</u> 16	<u>5/</u> 14
Japan.....	23	16	11	8
Netherlands.....	1	1	5	2
Yugoslavia.....	43	21	<u>6/</u>	<u>2/</u> 5
Peru.....	36	3	<u>2</u>	3
Total.....	726	840	677	613

^{1/} Preliminary. ^{2/} Source: Oil World. ^{3/} Includes hog grease.
^{4/} U.S. exports. ^{5/} Netherlands exports. ^{6/} Less than 500,000 pounds.

Table 5.--Lard (including rendered pork fat): U.S. exports by
country of destination, average 1956-60, annual 1964-66

Country	Average 1956-60	1964	1965	1966 ^{1/}
	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom.....	216	550	203	100
Canada.....	15	15	13	18
Mexico.....	12	7	11	15
Haiti.....	7	7	6	7
British Honduras.....	1	2	3	3
Germany, West.....	31	18	4	3
Belgium.....	<u>2/</u>	1	<u>2/</u>	2
Panama.....	5	3	3	2
Japan.....	<u>2/</u>	2	3	1
Bolivia.....	4	16	2	<u>2/</u>
Brazil.....	3	19	<u>2/</u>	---
Yugoslavia.....	35	16	---	---
Chile.....	1	1	---	---
Cuba.....	183	---	---	---
Others.....	32	25	3	7
Total.....	545	682	251	158

^{1/} Preliminary. ^{2/} Less than 500,000 pounds.

Table 6.--Lard: French exports by country of destination,
average 1956-60, annual 1964-66

Country	Average 1956-60	1964	1965	1966
	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom.....	33	32	69	66
Belgium and Luxembourg....	12	23	21	10
Reunion Islands.....	3	6	4	5
Hungary.....	---	2	1	1
Germany, West.....	11	4	1	3/
Others.....	9	2/ 9	1	4
Total.....	68	76	97	86

1/ Preliminary. 2/ Includes 7 million pounds to Cuba. 3/ Less than 500,000 pounds.

Table 7.--Lard 1/: Netherlands exports by country of destination,
average 1956-60, annual 1964-66

Country	Average 1956-60	1964	1965	1966
	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom.....	15	3	10	21
Cuba.....	---	61	1	17
Bolivia.....	1	3/	16	14
Japan.....	18	18	9	6
Portugal.....	4/	5	5	3
Chile.....	4/	2	4	3
Germany, West.....	16	9	7	2
Belgium and Luxembourg....	4/	3/	3	2
Hong Kong.....	3	2	2	2
Hungary.....	3	6	2	3/
Peru.....	25	1	3/	3/
U.S.S.R.	---	11	---	---
Others.....	17	13	3	3
Total.....	98	131	62	73

1/ Includes lard processed from imported grease. 2/ Preliminary.
3/ Less than 500,000 pounds 4/ Included in others.

Table 8.--Lard: Danish exports by country of destination,
average 1956-60, annual 1964-66

Country	: Average : : 1956-60 : : Million : : pounds	: 1964 : : Million : : pounds	: 1965 : : Million : : pounds	: 1966 : : Million : : pounds
United Kingdom.....	19	12	24	28
Germany, West.....	4	3	3	4
Hungary.....	1	6	2	---
Poland.....	---	8	---	---
Czechoslovakia.....	---	4	---	---
Others.....	3	1	3	3
Total.....	27	34	32	35

1/ Preliminary.

Table 9.--Lard: United Kingdom imports by country of origin,
average 1956-60, annual 1964-66

Country	: Average : : 1956-60 : : Million : : pounds	: 1964 : : Million : : pounds	: 1965 : : Million : : pounds	: 1966 : : Million : : pounds
United States.....	221	548	257	119
Belgium and Luxembourg....	19	18	108	102
Poland.....	---	---	11	40
Romania.....	---	---	6	37
Denmark.....	18	12	24	28
Netherlands.....	15	5	14	22
France.....	31	16	18	17
Italy.....	---	---	21	16
Germany, West.....	---	11	4	11
Sweden.....	2	4	5	5
Others.....	4	1	2	12
Total.....	310	615	470	409

1/ Preliminary.

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